# Charlottesville's Affordable Housing Program

- Overview
- Background of Housing Policy Since 1998
- Council Initiative
- Developer Role
- Community Engagement
- Future Direction
- Project Spotlight

## **OVERVIEW**

## Charlottesville, VA

#### A World Class City

- Population 41,228 (2007)
- 16,700 occupied housing units, 18,400 total housing units (2007)
- \$73,800 Median Family Income (2010)
- Received 2004 Best Place to Live in America and many other awards and distinctions
- Thriving Tourism





## Charlottesville, VA

#### 2025 City Council Vision:

- ECONOMIC SUSTAINABILITY
- A CENTER FOR LIFELONG LEARNING
- C'VILLE ARTS AND CULTURE
- A GREEN CITY
- AMERICA'S HEALTHIEST CITY
- A CONNECTED COMMUNITY
- SMART, CITIZEN-FOCUSED GOVERNMENT
- QUALITY HOUSING OPPORTUNITIES FOR ALL





## Charlottesville, VA

#### Status of Affordable Housing

- 2007 American Community Survey showed that almost half of all households in Charlottesville pay more than 30% of their income on housing costs
- 2010 point in time homeless census found 268 homeless adults
- As of June 2009, Charlottesville has 1,933 units of supported affordable housing or about 10% of the total housing stock





# Housing Policy Since 1998

### 1998 Housing Study

- Focus on Middle Income Housing
  - Downpayment Assistance
  - Assistance to Developers

## New Construction



Hinton Ave

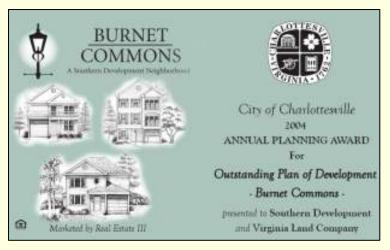


Riverside Ave



6th St. NW

## New Construction









## New Construction





10<sup>th</sup> St. NW and Page St.





# Reducing Costs of Housing

#### Tax Abatement for Additions

Unit must be 25 years old, assessment cannot exceed \$518,100, and additions/renovations must add 15% in value. Only *owner*-occupied, single-family residential or attached/detached accessory apt. Abatement runs for a period of seven (7) years. Abatement is transferable.

- 229 applicants / 33 average
- \$846,616.97 Total savings to date
- \$19,447,473 Total amount abated
- \$84,923.46 Average amount abated
  - 2003-2009: 31 applicants
  - \$7,563.74 Average savings
  - \$234,476.09 Total savings
  - \$107,345.16 Average amount abated
  - \$3,435,045.16 Total amount abated









Small homes typical throughout Charlottesville

# Reducing Costs of Housing

#### **Home Improvements**

- Emergency Repair
  - Average \$1,000 per project
- Small Rehab
  - Up to \$10,000 per project
- Substantial Rehab
  - **\$10,000 +**
- Handicap Accessibility
  - Average \$3,500

#### Form Book

- Assist property owners contemplating changes
- Gallery of architectural styles found in Charlottesville, historic and contemporary
- Includes list of components suitable for architectural style and simple suggested floor plans

# Reducing Costs of Housing

#### Free Paint Program

- Every summer, Charlottesville provides free paint to qualified households earning less than 80% AMI
- 2010 awarded paint to 14 households.
- Total to date in 2010: \$4,093

#### Community Development Block Grant (CDBG) and HOME

- Entitlement monies from HUD
- Average \$537,775 CDBG and \$122,000 HOME (\$163,000 with Match)

# Free Paint Program









# Free Paint Program















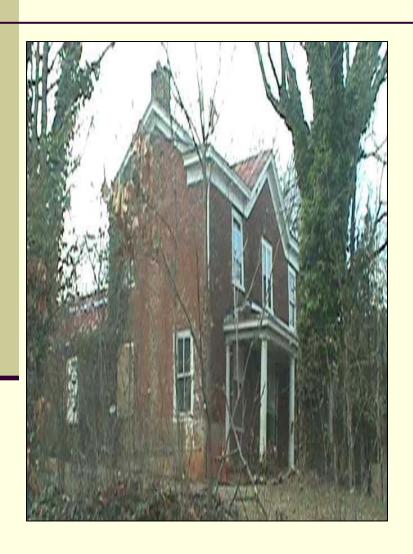


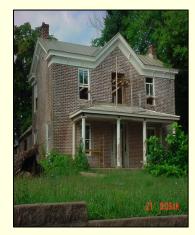














# Handicap Accessibility





## Council Initiatives

#### 2004 Housing Plan

- New Direction
- Work Force Housing
- Create Advisory Group
- Commitment of Dollars

## Financial Commitment

#### Charlottesville Housing Fund

- Local General Revenue
- Since FY 07-08
- Average \$1.4 million per year

#### **Energy Efficiency Upgrades**

City Council appropriated \$250,000 for energy efficiency and weatherization upgrades to low income households. Over 70 households to be served.

#### **Alternative Transit Options**

- Expanded bus routes and frequency with "bus finder" technology at many stops
- Aggressive sidewalk expansion program
- Bike lanes on every road where safe and feasible

## Financial Commitment

#### **Accomplishments Since FY 05-06**

	<u>Units</u>	<u>Funding</u>
Rental Preserved	532	\$500,000 + \$931,000 CDBG
Rental New	72	\$1.6 million + \$110,000 CDBG
Rental Proffered	0	\$0
Rental Subsidy	0	\$0
Housing Preserved	201	\$742,000 + \$1.3 mil CDBG
Housing New	35	\$600,000 + \$300,000 CDBG
Housing Proffered	29	\$0
Homeowner Assistance	41	\$220,000 + \$388,000 CDBG
Totals	910	\$3.67 mil + \$3.03 mil CDBG

# Rental Projects





Monticello Vista



Virnita Court



802 Cynthianna Ave

# Rental Projects









**Dogwood Housing** 

## DEVELOPER ROLE

# Incentivizing Developers

#### Reduced Water and Sewer

- Reduces water and sewer connection fees by 80%.
- Units must be sold or rented to families at or below 80% AMI
- Units for sale must be less than VHDA maximum sale price
- Units for rent must have federal, state or local assistance that guarantees affordability
- 10 applications to date

#### 50% fee reduction stimulus package

■ From April 28 – October 28, 2009 Charlottesville reduced all permit fees for any residential new construction or addition that increased livable space by 50%.

# Affordable Housing Regulation

#### **Expedited review**

- Partnership between City and Developers
- Because of developer support of Affordable Dwelling Unit Ordinance, any project with 5% affordable housing is guaranteed 3 week review period by City Staff

#### 2008 HB 883 Enabling Legislation

- Authorizes Charlottesville to establish affordable housing contributions from developers as a condition of the approval of a special use application for residential, commercial, or mixed-use projects with a density equal to or greater than 1.0 FAR.
- Allows the developer to provide on-site Affordable Dwelling Units, off-site Affordable Dwelling Units, or a cash contribution to the city's affordable housing fund in lieu of providing the units.

# Affordable Housing Regulation

#### Affordable Dwelling Unit Ordinance

- Mirrored on HB 833
- For residential or mixed-use projects with 1.0 FAR or greater, requires that 5% of total gross square footage shall be Affordable Dwelling Units
- Allows for off-site Affordable Dwelling Units
- Allows for a cash contribution of \$2 per square foot
- Only applies to rezonings or special use applications
- Affordable Dwelling Unit means units committed for a 30-year term as affordable to households with incomes at 60% AMI or less

## **FUTURE DIRECTIONS**

## 2025 Affordable Housing Strategy Report

- The report presented three options for the 2025 affordable housing goal, including the number of units needed to reach that goal, and anticipated local funding support.
  - Maintain Current Number of Affordable Units
  - Maintain the Current Ration (10%) of Affordable Units
  - Increase Ratio of Affordable Units to 15%
- In February 2010 City Council adopted the goal to increase the ratio of supported affordable units to 15% of total housing units by 2025 for a total of 2,350 units to add or preserve at \$25.7 million total or \$1.7 million per year

## **COMMUNITY ENGAGEMENT**

# Community Engagement

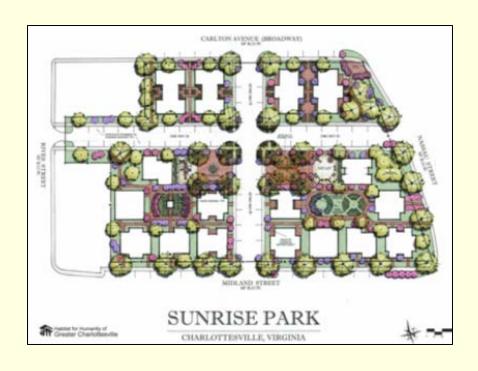
#### **Housing Advisory Committee**

- Members include City Councilor, Planning Commissioner, Developer, School Board Member, citizen and neighborhood representatives, realtor, banker, non-profit housing providers, non-profit service providers, Charlottesville Redevelopment and Housing Authority, Albemarle County, and the University of Virginia
- Recommend policy and priorities to Council regarding housing
   Getting City Employees Involved
- Every City employee allowed to take two days of paid leave to volunteer with Habitat for Humanity to build two housing units

#### **Strong Partnerships with Non-Profits**

- Albemarle Housing Improvement Program
- Habitat for Humanity
- Piedmont Housing Alliance

## PROJECT SPOTLIGHT





















Nunley St. Builder's Blitz



Paton St.









Fields at Venable





EcoMOD 4





















